



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
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May 29, 2007

**Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426**

**SUBJECT: EPA Comments on the FERC Draft Environmental Impact Statement
(Draft EIS) for the FERC "Elba III Project" (March 2007); OEP/DG2E/
Gas 1 Southern Natural Gas; Docket Nos. CP06-470-000. et al.**

Dear Ms. Bose:

Pursuant to Section 309 of the Clean Air Act (CAA) and Section 102(2)(C) of the National Environmental Policy Act (NEPA), the U.S. Environmental Protection Agency (EPA) Region 4 has reviewed the Federal Energy Regulatory Commission's (FERC or Commission) draft environmental impact statement (EIS) for the "Elba III Project" proposed by Southern LNG [Liquefied Natural Gas] Inc. (Southern LNG) and Elba Express Company (EEC) L.L.C., both wholly-owned subsidiaries of Southern Natural Gas Company (Southern). Under Section 309 of the Clean Air Act, EPA is responsible for reviewing and commenting on certain major federal actions significantly affecting the quality of the human environment.

The draft EIS evaluates the Southern LNG proposal for the expansion and operation of the existing LNG import terminal (Elba Island near Savannah, Georgia) as well as the construction and expansion of an associated new natural gas pipeline, the "Elba Express Pipeline" in Georgia and South Carolina. The terminal expansion would increase the capacity of the terminal and incorporate "closed loop" LNG warming technology. Phase A (2010) additions would include a new 200,000 m³ LNG storage tank with capacity of 4.2 billion cubic feet per day (Bcfd) of LNG, while Phase B (2012) would include a second 200,000 m³ LNG storage tank. Modifications to the marine berthing slip and unloading docks would accommodate new, larger LNG tankers and facilitate simultaneous unloading of two LNG tankers. Like the terminal expansion, the construction of the 187-mile-long Elba Express Pipeline would also be completed in two phases (2011 & 2013). The pipeline would affect 2,748 acres of land and impact 237 acres of wetlands and other waters of the United States, with five major river crossings and 241 smaller stream crossings. Most project impacts are associated with the pipeline.

EPA supports the selected preferred alternative for the proposed project with the FERC staff's mitigation measures identified in the draft EIS. However, we do have several concerns, which are presented more specifically in the enclosed Detailed Comments. In general, our primary concerns focus on potential impacts to wetlands and other waters of the United States from construction of the proposed pipeline, and the need for additional analysis of potential

impacts to air quality associated with construction and operation of the proposed terminal expansion.

With regard to impacts to wetlands and other waters of the United States, we believe that these impacts could potentially be reduced through the use of a pipeline route that would cross the Savannah River in only one location, as opposed to the two crossings under the current proposal. We recommend that the final EIS explore the feasibility of limiting the number of crossings of the Savannah River, and provide an analysis as to what extent this new alternative would reduce impacts to aquatic resources. We also suggest use of other impact avoidance and minimization procedures as well.

As to the air quality analysis, we are concerned that the information provided in the draft EIS does not include an analysis of all potential pollutant emissions for the project and facility, including construction and operations, both direct and indirect, and their anticipated impacts. Specifically, we recommend that the final EIS provide a complete air quality assessment of the entire terminal facility to complement the assessment of the proposed terminal expansion. We also recommend that additional information be provided in the final EIS regarding general conformity requirements.

EPA rates this draft EIS as an "EC-2" (i.e., we have environmental concerns and request additional information in the final EIS). A description of EPA's rating system is enclosed. We look forward to working with FERC staff and representatives of the applicant, as well as other relevant federal and state agencies, so that the appropriate information and analyses are available in the final EIS. We encourage open communication between our technical staffs to achieve this goal.

Thank you for the opportunity to review and comment on this draft EIS. If you have further questions, please contact me at 404/562-9611 (or mueller.heinz@epa.gov) or John Hamilton of my staff at 404/562-9617 (or hamilton.john@epa.gov).

Sincerely,



Heinz J. Mueller, Chief
NEPA Program Office
Office of Policy and Management

Enclosures: Enclosure 1, Detailed Comments on the Elba III DEIS
Enclosure 2, EPA Rating System Description

cc: Keith Parsons (Water Protection Branch) and Kelie Matrangos (Coastal Resources Division) Georgia Department of Natural Resource

Enclosure 1: DETAILED COMMENTS ON ELBA III DEIS

LNG TERMINAL EXPANSION

Wastewater Discharges

1. We recommend that the final EIS include a more detailed discussion of wastewater discharges (Georgia Environmental Protection Division is the NPDES permitting authority for this facility).

Recommendations: We recommend that the final EIS include a discussion of the treatment and discharge of the process waters from the following sources: 1) submerged combustion vaporization units; 2) on-site sanitary discharges; and 3) stormwater from industrial areas. We also recommend that the final EIS provide a wastewater flow schematic to illustrate the fate of all discharges from the site.

Subject matter contact: Karrie-Jo Shell, 404-562-9308

Air Quality

Section 4.11.1.2 – Air Quality and Noise; Ambient Air Quality Standards/Air Quality Control Regions and Attainment Status

1. EPA notes that the draft EIS does not indicate whether FERC carried out a general conformity applicability determination for this project. We presume that an applicability determination was not performed, since the draft EIS explains on page 4-143 that none of the counties in which the project will be constructed or operated have been designated as nonattainment for any NAAQS pollutant. However, we also note that the draft EIS explains that one part of the project's pipeline is located in Anderson County, South Carolina – an area that EPA has classified as nonattainment for the 8-hour ozone standard, but for which the effective date of the ozone nonattainment designation has been deferred due to the County's participation in the Early Action Compact (EAC).

Given this discussion of 8-hour ozone nonattainment in the draft EIS, FERC should be aware that the D.C. Circuit Court of Appeals recently vacated certain aspects of EPA's phase 1 rule implementing the 8-hour ozone NAAQS [*SCAQMD v. EPA*, 472 F.3d 882 (D.C. Cir. 2006)]. EPA and other parties are seeking rehearing from the court on several aspects of the decision, including conformity. The final position adopted by the D.C. Circuit could have implications for any action taken with respect to conformity programs in areas that were nonattainment or maintenance for the 1-hour ozone NAAQS at the time of revocation of the 1-hour ozone NAAQS.

Recommendations: In order to make it clear that FERC analyzed whether general conformity requirements were applicable to the project and to provide a way in which general conformity requirements could be addressed after the possible designation of Anderson County as ozone nonattainment, EPA recommends that FERC add the following to the final EIS: "FERC concludes that because no project emissions will occur in an area that has been designated nonattainment for a NAAQS pollutant, general conformity requirements are not applicable to this project (See 40 CFR § 93.150 et seq.). If any area in which the project is located is designated as nonattainment before this project commences,

an appropriate general conformity applicable determination will be made at that time.” EPA is also available to assist with any conformity questions or issues that may arise in the future.

Section 4.11.1.5 - Air Quality and Noise; Air Emission Impacts

1. We are concerned that the draft EIS does not apparently address all potential pollutant emissions for the project and facility, including construction and operations, and their anticipated impacts, both direct and indirect. Although reference is made in the draft EIS to impact assessments performed supporting a prevention of significant deterioration (PSD) permit application for the Elba III expansion, it is important to recognize that the PSD assessment only accounted for the impacts of nitrogen oxides (NO_x) and carbon monoxide (CO) emissions and did not address all indirect emissions for this expansion. Moreover, the PSD analysis only evaluated the air quality impacts from a subset of emissions sources associated with this proposed project.

For example, Tables 4.11.1-3, 4.11.1-9, and 4.11.1-12 of the draft EIS indicate that the Elba Island LNG Terminal (after the Terminal Expansion project) will have 534 tons per year (tpy) of sulfur dioxide (SO₂) and 72 tpy of particulate matter (PM_{2.5}/PM₁₀) operating emissions. The air quality impacts of these emissions have not been quantitatively evaluated in the draft EIS. Additionally, there are 64 tpy of NO_x and 1,138 tpy of CO operating emissions that were not included in the referenced PSD air quality modeling analysis.

Moreover, Table 4.11.1-6 of the draft EIS indicates that the following construction emissions are projected to occur over the 5 years it takes to finish the Terminal Expansion project: 306 tpy of NO_x, 102 tpy of CO, 44 tpy of SO₂, 2,876 tpy of PM₁₀, and 19 tpy of volatile organic compounds (VOCs). The air quality impacts from these construction emissions have not been addressed or evaluated.

Recommendations: We recommend that the final EIS provide air quality impact evaluations that address the total project related emissions. We also recommend that the impact evaluations include the full air quality impacts of the entire Elba Island LNG Terminal subsequent to the Elba III Expansion project.

2. Page 4-156: The section titled “Indirect Emissions from LNG Carrier Ships,” discusses the emissions that are addressed in the Elba III expansion PSD impact assessment and indicates that additional modeling was submitted to the Georgia Department of Natural Resources, Environmental Protection Division which included “secondary emissions.” It is our understanding that this additional modeling addressed only NO_x and CO emissions and did not include all secondary and indirect emissions from the vessels, *i.e.*, some of the emissions from the LNG cargo vessels and support vessels were excluded from the analysis.
Recommendation: While the exclusion of some emissions may be appropriate for purposes of the PSD impact assessment, we recommend that the final EIS address impacts of emissions from all sources associated with the proposed terminal expansion.

Section 5.2 - Impact Summary

3. The conclusions regarding air quality may need to be re-evaluated as a result of additional information and/or new modeling analyses that are included in the final EIS in response to

our recommendations for additional information to be included in Sections 4.11.1.3, 4.11.1.4, and 4.11.1.5 as suggested in comments 1 and 2, above. EPA looks forward to working with FERC staff to address these issues.

Section 1.2.1 – FERC

4. Page 1-17: The last sentence on this page states that “Although the FERC encourages cooperation between Applicants and state and local authorities, this does not mean that state and local agencies, through application of state and local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by the FERC.”

Recommendation: We recommend that the final EIS clarify the legal basis for this statement.

Subject matter contacts for Comments 1-4: Stan Krivo, 404-562-9123 and Katy Forney, 404-562-9130

Section 3.0 – Alternatives

5. Data for Noise Sensitive Areas (NSAs) at the terminal showed that the operation of the terminal would not elevate ambient levels at the NSAs due to the terminal’s distance from the NSA.

Recommendation: Because ambient levels are already above the 55 DNL criterion at the NSA closest to the terminal (58.9 DNL: pg. 4-171), we support the FERC staff’s recommendation to monitor this site to confirm that there would be no incremental terminal expansion noise impacts at the nearest NSA. We recommend that any noise abatement be made through source reductions at the terminal and occur well within the proposed one-year timeframe.

Subject matter contact for Comment 5: Chris Hoberg, 404-562-9619

ELBA EXPRESS PIPELINE

Alternatives Section 3.0

1. Phase 1 Northern Segment – Most of the Northern Segment of Phase 1 (81 of 83.1 mi) would be on a new location. Alternative segments on full or partial co-location with existing rights of way were considered, but rejected in the draft EIS. Table 3.3-1 indicated that the two alternatives considered for full co-location routes would be considerably longer and more expensive than the proposed route. Table 3.3-2 indicated that the three alternatives considered for partial co-location routes would be slightly longer and impact slightly more wetlands. The quality of the wetlands that would be impacted by the alternatives, including the preferred alternative, however, was not fully described. EPA recommends that the quality of the potentially impacted wetlands be more fully discussed in the final EIS. The need for any conversion from forested to herbaceous wetlands after pipeline placement should also be included. EPA has observed that on other similar projects, wetlands along an existing corridor may already have incurred secondary impacts and therefore may be of lesser quality – from a water quality and habitat function perspective – than wetlands on new corridors.

Table 3.3-2 also shows that one alternative (Midwest Route) has fewer stream crossings (94) than the proposed route (101). It is unclear if such crossings are significant in terms of the width of the waterbodies and the water quality impacts that can be expected during crossing construction (e.g., open cut vs. horizontal directional drill (HHD)). The amount of hardwood forest impacted by this alternative is also less (135.2 vs. 167.7 ac), but it is unclear if any of the acreage reduction includes forested wetlands or old growth. We recommend that the final EIS provide additional discussion of the relative wetlands impacts of the differing alternatives.

Some route variations also were considered but rejected. Several of the variations would avoid major waterbodies or stream crossings but would involve greater linear feet of wetland impacts. However, the draft EIS indicated that use of HHD is being discussed for crossing these major waterbodies "...[I]f geologic conditions are favorable" (pp. 3-25; 3-28). Because we believe that use of HHD is environmentally preferred when large waterbodies are crossed in lieu of circumventing them, we recommend that the FEIS disclose whether geological conditions have been determined to be acceptable for HHD, and, if so, whether the applicant is committed to using HHD for those sites. If these sites are not geologically suitable for HHD, we recommend that the final EIS reconsider alternatives that would avoid crossing these waterbodies.

2. Phase 2 Compressor Station – The proposed Jenkins County site for a new compressor station appears reasonable from a noise perspective since it is wooded and noise levels at the nearest NSA were predicted to be below the 55 DNL criterion during operation. We concur with the FERC staff recommendation that the applicant conduct post-construction monitoring to ensure compliant noise exposures. We also recommend that any resultant noise abatement be made through source reductions at the station itself (e.g., more efficient technology, structural shielding, etc.) and be implemented well within the one-year recommendation.

Recommendation: EPA suggests that the final EIS alternatives analysis provide additional information regarding wetlands impacts, as described above. We recommend that final route recommendations consider that lands parallel to existing corridors (if widening is needed for pipeline placement) may often be less environmentally sensitive than lands found in new corridors. Should it be necessary to route segments in new corridors, we recommend that the final EIS provide information regarding mitigation proposals that have been coordinated with federal, state and local agencies to compensate for any relevant environmental impacts.

Subject matter contact for above Comments 1 and 2: Chris Hoberg, 404-562-9619

Waters of the United States

1. Savannah River Crossings – We are concerned that the proposed crossings at the Savannah River would impact a sensitive riparian corridor and lands owned by the Corps of Engineers (Corps) and managed as "mitigation" for several Corps projects.

Recommendation: In order to potentially reduce these impacts, we recommend that the final EIS examine the feasibility of an alternative that does not include a dual connection to the Transco pipeline and instead makes a single connection to the Transco pipeline on the

Georgia side of the Savannah River.

2. Forested Wetland Restoration –

Recommendation: To help ensure successful mitigation of the impacts resulting from the clearing of forested wetland areas, EPA recommends that all formerly forested areas be replanted with trees of the same species and diversity as were present prior to construction as opposed to simply allowing “natural regeneration” to occur, particularly for hard-mast-producing species.

3. Waters of the United States Mitigation Plan –

Recommendation: We recommend that a detailed compensatory mitigation plan be prepared and be included as part of the final EIS, and that the plan include all minimization/onsite restoration measures and any offsite mitigation actions. We recommend that the plan address all wetland, stream, and open water impacts and include the Corps Savannah District’s Standard Operating Procedure calculations. We recommend that the applicant strive to achieve “in-kind” mitigation, *i.e.*, wetland types impacted by the project are replaced by those same types. We also recommend that mitigation for all impacts be located as close as possible to the impact sites, and at the least within the same 8-digit Hydrologic Unit Code (HUC) watershed; this preference may necessitate a mitigation plan involving multiple sites.

4. Mitigation Banks – The draft EIS indicates the potential use of several commercial mitigation banks as a means to compensate for unavoidable wetland impacts. In general, we find use of commercial mitigation banks an acceptable, and at times preferred, form of compensatory mitigation. However, as noted above, the banks used need to match the wetland and stream types being impacted. Since this project crosses many “ecoregions” and watersheds, it will impact many wetland and stream types and it is unlikely that one bank can match all of the wetland and stream types.

EPA supports the use of mitigation banks to mitigate for permitted impacts from the pipeline when a bank is available in the appropriate service area. In the DEIS there is a list of potential banks which EPA has reviewed with the following comments. EPA notes that the Quacco Canal Wetland Restoration Project in Chatham County is not a Corps of Engineers approved commercial mitigation bank and has expressed concerns about it being developed into a commercial bank. Also, EPA has specifically not concurred with the Pine South Mitigation Bank and notes that this bank consists of a wetland type likely not requiring mitigation for this project, while the Phinizy Swamp Mitigation Bank does not match the Piedmont wetland impacts.

Although we are uncertain if the Milhaven Mitigation Bank is still active or has available wetland credits. This bank better matches the coastal plain riverine wetlands the proposed project may impact, although it may not provide credits for the Piedmont riverine wetland impacts. It should be noted that these banks do not appear to have stream mitigation credits that may be required for this project. While currently there are few commercial mitigation banks in the Middle and Upper Savannah River, Broad River and Little River watersheds, a number of banks are pending that may meet this project’s credit requirements for impacts in

the Georgia Piedmont. Because there appear to be direct impacts to South Carolina waters, a separate mitigation plan may be necessary since it has been our experience that states (via the Clean Water Act § 401 certification process) are unlikely to accept out-of-state mitigation.

Recommendation: We recommend re-evaluation of the local wetland banking options in order to determine one or more suitable banks that provide in-kind mitigation in the same watershed as project impacts.

Subject matter contact: Bob Lord, 404-562-9408

Air Quality –

1. From an emissions perspective, the assessment of the proposed pipeline operation of a new compressor station in Jenkins County (Phase 2) is adequate. However, we were unable to determine from the draft EIS if the existing compressor(s) at Wrens Compressor Station (“Wrens”) in Jefferson County will be operated at a higher average level due to the Elba III Project, possibly causing an increase in air pollutant emissions.

Recommendation: We recommend that the final EIS discuss whether there is a possibility of increased air emissions at Wrens as a result of the proposed project, and, if increased air pollution emissions are expected, we recommend assessing the likely air quality impact of such increased emissions.

Subject matter contact: Jim Little, 404-562-9118

Environmental Justice

Sections 4.9.7

1. Demographic Data - The demographics analysis indicates that the Elba LNG terminal and pipeline facilities are predominately located in Georgia and South Carolina counties with percentages of low-income and/or minority populations exceeding the state averages (Tables 4.9-6 and 4.9-5). The demographic information provided in Tables 4.9-5 and 4.9-6 is unclear. For example, the values for “Total Minority” for Chatham County and the State Average do not equal the sum of each racial/ethnic group presented in the table 4.9-5.

Recommendation: EPA recommends that FERC re-evaluate the data presented in Tables 4.9-5 and 4.9-6 and make any necessary corrections in the final EIS.

2. Public Involvement - The draft EIS does not provide information as to whether any specific public participation measures were taken to ensure the involvement of minority populations and low-income populations.

Recommendation: We recommend that FERC take specific measures to elicit participation of potentially affected minority populations and low-income populations, and provide a description of these efforts in the final EIS. We also recommend that FERC consider the need for innovative approaches to overcome linguistic, institutional, cultural, economic, historical, or other potential barriers that may limit a community's ability to participate.

3. Pipeline - The draft EIS concludes that the proposed pipeline “would not result in any disproportionately high or adverse environmental and human health impacts to minority

populations and low-income populations.” This conclusion is based primarily on the assertion that once buried, the pipeline will have a minimal impact on the surrounding environment.

Recommendation: We recommend that the final EIS more clearly describe the extent to which the proposed pipeline may or may not affect minority populations and low-income populations, and if so, whether any of those impacts would be disproportionately high and adverse. As a first step in that analysis, rather than using population statistics at the county level, we recommend that the final EIS select a more limited geographic unit of analysis that parallels the pipeline route to better characterize the potentially affected communities. In addition, we recommend that the final EIS provide specific information on the communities along the pipeline route, and examine the potential community impacts from the pipeline and affiliated access roads (e.g., potential impacts to private property and limitations on future property use). Finally, we recommend that the final EIS also provide information regarding potential impacts to aesthetics and public safety issues that are specific to the communities located adjacent to the proposed pipeline.

4. Terminal Expansion - The draft EIS concludes that the proposed terminal expansion “would not result in any disproportionately high or adverse environmental and human health impacts to minority populations and low-income populations.” This conclusion is based primarily on the assertion that the impacts of a substantial marine LNG release would be primarily to undeveloped and unpopulated land, although also noting that there are some populated areas in the “Zones of Concern.” In addition, the draft EIS indicates that the terminal expansion would provide economic benefits to the region, thereby benefiting any potentially affected low-income populations.

Recommendation: We recommend that the final EIS more clearly describe the extent to which the proposed terminal expansion may or may not affect minority populations and low-income populations, and if so, whether any of those impacts would be disproportionately high and adverse. We recommend that the final EIS provide specific information on the population characteristics of areas potentially affected by a substantial marine LNG release (i.e., Zones 1, 2 and 3). We also recommend that more specific information be provided regarding the potential economic benefits of the terminal expansion and the extent to which these benefits (e.g., temporary employment) will apply to the local populations.

Subject matter contact: Ntale Kajumba, 404-562-9620

Editorial Comments

Executive Summary – Table ES-1

1. Page ES-vii: Table ES-1, titled... “Summary of Environmental Impacts Associated with the Construction of the Elba III Project,” does not include the six submerged combustion vaporizers (SCVs) that will be part of this project.

Recommendation: Under the “Air and Noise Quality” section of Table ES-1, we recommend addition of the item “Number of new SCV’s” in the *Resource Area/Impact* column of the table and add “6” under the *Facilities* column of the table.

Section 4.11.1.2 - Air Quality and Noise: Existing Air Quality

2. Page 4-150 combined with page 1-16, Table 1.5-1 – In the last paragraph on page 4-150, the draft EIS states that for the proposed new Elba Express Compressor Station in Jenkins County, Georgia:

“For minor sources, the GEPD [Georgia Environmental Protection Division] allows for the issuance of either a combined construction and operating permit or alternatively, separate construction and operating permits. At a minimum, a state construction permit would be required from GEPD prior to the start of construction of the Elba Express Compressor Station.”

However, in the Table 1.5-1 (pg. 1-16) list of major permits, approvals, and consultations, a minor source permit for the new compressor station is not shown.

Recommendation: We suggest that “minor source air emissions permit” be added to Table 1.5-1 and indicate that it is for the new compressor station.

3. Page 4-162, Table 4.11.1-13 – At the bottom of this table is a note starting with the words... “The emissions provided above...” We could not find emissions values in Table 4.11.1-13.
Recommendation: We assume this note was intended for Table 4.11.1-14 at the bottom of page 4-162 and suggest the note be removed from the final EIS.

Section 4.11.1.5 - Air Quality and Noise; Air Emission Impacts

4. Although Table 4.11.1-6 provides a summary of project emissions for the construction of the Terminal Expansion project, there does not seem to be a single summary table of operating emissions for either the entire Elba III expansion (*i.e.*, direct air equipment emissions and indirect vessel emissions) or for the entire Elba Terminal (*i.e.*, existing terminal direct and indirect emissions, which include Elba I and Elba II, and the proposed Elba III expansion). There are various tables in Section 4.11.1.5 that provide portions of the Elba Terminal’s projected operating emissions, but determining the total operating emissions from these tables is difficult. Additionally, detailed information on the basis for the estimated emissions was not provided.

Recommendation: We suggest that a single summary table of all existing and proposed expansion operating emissions for the Elba Island LNG facility should be provided in Section 4.11.1.5. Additionally, detailed emission calculation information could be provided in the final EIS (*e.g.*, in an Emission Calculation Appendix) to allow for a complete review and evaluation of the potential impacts.

Editorial Comments and Recommendations 1-4: Stan Krivo, 404-562-9123, Katy Forney, 404-562-9130, and Jim Little, 404-562-9118

ENCLOSURE 2 – EPA RATING SYSTEM DESCRIPTION*

Environmental Impact of the Action

LO-Lack of Objections

The EPA review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

EC-Environmental Concerns

The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impacts. EPA would like to work with the lead agency to reduce these impacts.

EO-Environmental Objections

The EPA review has identified significant environmental impacts that must be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

EU-Environmentally Unsatisfactory

The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potential unsatisfactory impacts are not corrected at the final EIS date, this proposal will be recommended for referral to the CEQ.

Adequacy of the Impact Statement

Category 1-Adequate

The EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collecting is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category 2-Insufficient Information

The draft EIS does not contain sufficient information for the EPA to fully assess the environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses, or discussion should be included in the final EIS.

Category 3-Inadequate

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the NEPA and/or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

*From EPA Manual 1640 Policy and Procedures for the Review of the Federal Actions Impacting the Environment